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CALIFORNIA LEGISLATURE—2005–06 REGULAR SESSION

ASSEMBLY BILL

No. 756

Introduced by Assembly Member Goldberg
(Coauthor: Assembly Member Richman)
(Coauthor: Senator Alquist)

February 18, 2005

An act to add and repeal Article 4.5 (commencing with Section 52062) of Chapter 6.1 of Part 28 of the Education Code, relating to school finance.

LEGISLATIVE COUNSEL'S DIGEST

AB 756, as amended, Goldberg. School finance: the Flexible Funding for Pupil Achievement Program.

Existing law, the Public Schools Accountability Act of 1999, establishes (1) the Public Schools Performance Accountability Program, consisting of programs for schools based on their performance on statewide accountability tests and measures of that achievement; (2) procedures for local educational agency intervention that are to be taken regarding local educational agencies that are not meeting the pupil achievement requirements of the federal No Child Left Behind Act of 2001; (3) the state No Child Left Behind Liaison Team to advise the Superintendent of Public Instruction and the State Board of Education on appropriate matters related to implementation

of the federal No Child Left Behind Act; and (4) a Statewide System of School Support to provide support and technical assistance to school districts, county offices of education, and schools in need of improvement, as specified. Existing law requires a county superintendent of schools to calculate a revenue limit for each school district in the county. Existing law establishes categorical funding programs for which school districts may be eligible.

This bill would establish the Flexible Funding for Pupil Achievement Program and would require the Superintendent of Public Instruction to administer it. The bill would permit up to 5% of schools in the state to participate in the program at any one time and would require the Superintendent to strive to ensure a balance of elementary, middle, and high schools among participating schools, as specified, and that urban, suburban, and rural schools are represented among participating schools.

The bill would require the governing board of a school district, after confirming with the Superintendent that there is room in the program for the school to participate, to adopt, in consultation with the district superintendent and with the concurrence of the principal of the applicable school, a participation agreement containing specified provisions with each school that elects to participate. The bill would require the governing board of a school district to annually ensure that its participating schools have a participation agreement in place, as specified. The bill would require that each participation agreement have a term of 5 years, except that each year, the governing board of a school district would be required to review and revise the per-pupil funding of the school, as specified. The bill would require the principal and certificated staff of a participating school to adopt annually an achievement plan for the school that addresses the organization of the school, staffing, curriculum, and classroom schedules, as specified.

The bill would require the district superintendent to notify the principal of a participating school if that school fails to comply with its participation agreement and would require the principal, once notified, to submit a plan to remedy the lack of compliance. The bill would permit the governing board of a school district to revoke the participation agreement of a school if that school fails to meet the goals established in its annual achievement plan for 3 consecutive years and would require the governing board to notify the

Superintendent of any termination of the participation of a school that occurs.

The bill would require the Superintendent, no later than March 30, 2007, to adopt a distribution formula that would include specified elements for use by school districts with schools participating in the program to determine the allocation of school district revenue limit funding for the use of individual participating schools. The bill would permit a school district, at the request of the principal of a participating school, to expend the funds allocated to the account or accounts of that participating school for any purpose that is consistent with and furthers the goals of the achievement plan and the participation agreement of the school. The bill would permit a school district to retain up to 10% of the funds received by the district from state and local sources that are distributed to the accounts of participating schools of the district according to the distribution formula established by the Superintendent, as specified, for administrative and support services costs incurred by the district on behalf of its participating schools.

The bill would require the principal of each participating school to annually create, based on collaboration with certificated staff and consultation with the schoolsite council and parent council, if either or both are constituted at the school, and submit to the district superintendent a budget for the school. The bill would require the school district administration, at the request of the school principal, to provide, using funds retained by the school district as specified, technical assistance and consultation for the principal and others involved in the development of a schoolsite budget. The bill would require that any moneys remaining in the accounts of a school at the end of a fiscal year remain in the accounts of that school for use in the budget of the following fiscal year and not revert to the school district. The bill would require any deficit remaining in the budget of a school at the end of a fiscal year remain the responsibility of the school for the following fiscal year. The bill would require the principal of a participating school to submit to the district superintendent a copy of the proposed school budget in accordance with the timeframes specified in the participation agreement of the school. The bill would require each school district to maintain the financial records for each school participating in the program as part of the centralized services provided to each school, including, but not limited to, issuing checks based on vouchers received from the principal of the school. The bill

would require a school district pay the costs of maintaining those financial records from the 10% of moneys reserved to the school district for administrative and support services for participating schools, as specified.

The bill would require the principal of a participating school to annually submit to the district superintendent and the governing board of the school district a report specifying, at a minimum, the staffing plan for the school, the academic schedule for the school, and a description of the educational program of the school. The bill would require the principal of a participating school to collaborate with the district superintendent and the certificated staff of the school to implement the provisions of the program.

The bill would require each teacher at a participating school, in consultation with the parents or legal guardians of a pupil and the pupil, where age appropriate, to establish academic growth goals for the pupil at the beginning of each school year and to measure the progress of the pupil in achieving those goals throughout the year. The bill would require the principal of each participating school to ensure that the school operates in an environment that empowers parents and legal guardians to be involved in the education of their children and, at a minimum, to ensure that the procedures at the school require a teacher to communicate in person with the parents or legal guardians of a pupil if that pupil is not meeting his or her academic achievement goals.

The bill would authorize the certificated staff and principal of a participating school, if they deem it necessary to achieve the goals of the achievement plan of the school and provisions of the participation agreement of the school, to (1) by unanimous consent, request that the parties to the bargaining unit agreement for the certificated staff of the school modify the agreement to permit the certificated staff to waive specified portions of the agreement as it relates to that school, as specified; and (2) by a majority vote, request that the governing board of the school district waive policies adopted by the governing board as they relate to that school, as specified.

The bill would require the Superintendent to request private foundations fund and conduct independent evaluations of the planning, implementation, operation, and effectiveness of this program. The bill would require, at a minimum, an initial report of best practices identified among participating schools be completed

within the first 3 years of the operation of the program, and full evaluations be completed at intervals of 5 years.

The bill would provide that the provisions of the program shall be implemented only if the Superintendent certifies that he or she has obtained a commitment from private foundations or other private or public funding sources to provide sufficient funding for the required program evaluations, as specified.

The bill would make the program operative only until July 1, 2017.

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Article 4.5 (commencing with Section 52062) is
2 added to Chapter 6.1 of Part 28 of the Education Code, to read:

3
4 Article 4.5. Flexible Funding for Pupil Achievement Program

5
6 52062. (a) The Flexible Funding for Pupil Achievement
7 Program is hereby established and shall be administered by the
8 Superintendent.

9 (b) The Legislature finds and declares both of the following:

10 (1) The academic achievement of pupils in the public schools
11 is best supported when the personnel at each individual school
12 have control over the education that the pupils of the school
13 receive.

14 (2) Schools participating in the pilot program established by
15 this article, by having the flexibility to focus on the pupils
16 enrolled in the schools and the individual needs of those pupils,
17 can develop an educational program designed particularly for the
18 pupils in the individual schools that will best promote academic
19 achievement and support pupil growth.

20 (c) It is the intent of the Legislature in enacting this article to
21 provide participating schools with the freedom to organize the
22 most appropriate educational delivery structures to meet the
23 goals of the individual schools.

24 52062.1. (a) Up to 5 percent of the public schools in the state
25 may participate in the program at any one time. The
26 Superintendent shall strive to ensure an appropriate balance of
27 participating elementary, middle, and high schools relative to the

1 number of those types of schools in the state as a whole, and that
2 urban, suburban, and rural schools are represented among the
3 participating schools.

4 (b) Prior to the governing board of a school district adopting
5 the agreement of a school to participate in the program pursuant
6 to subdivision (a) of Section 52062.2, the governing board shall
7 notify the Superintendent of the interest of the school
8 participating in the program. If the maximum number of schools
9 pursuant to subdivision (a) has not been reached, the
10 Superintendent shall notify the governing board that the school
11 may participate in the program and shall add the school to the list
12 of participating schools. If the maximum number of schools
13 pursuant to subdivision (a) has been reached, the Superintendent
14 shall notify the governing board that the school shall not
15 participate in the program for the school year for which
16 authorization was requested by the governing board.

17 52062.2. (a) The governing board of a school district, after
18 obtaining authorization for the school electing to participate in
19 the program to be included in the program pursuant to
20 subdivision (b) of Section 52062.1, shall adopt a participation
21 agreement with that school electing to participate in the program.
22 At a minimum, the agreement with each school shall include all
23 of the following:

24 (1) The goals and objectives of the school, as specified in the
25 achievement plan of the school. The governing board shall
26 ensure that the goals of the plan include targets for improvement
27 that will lead the school to achieve the overall academic goals set
28 by federal, state, and local statutes and policies.

29 (2) The minimum amount of per-pupil funding the school shall
30 be annually allocated based on the funding formula specified in
31 Section ~~52062.6~~ 52062.4.

32 (3) The timeframes in which the school shall file its annual
33 budget with the school district.

34 (4) The community involvement goals for the school to ensure
35 that the school maintains an atmosphere in which parents and
36 legal guardians are empowered to be involved with the education
37 of their children.

38 (5) The details regarding any provisions of relevant bargaining
39 unit agreements or policies adopted by the governing board of

1 the school district of which the principal and certificated staff of
2 the school intend to pursue a waiver pursuant to Section 52062.7.

3 (b) The governing board of the school district shall adopt each
4 participation agreement in consultation with the district
5 superintendent and with the concurrence of the principal of the
6 participating school.

7 (c) The governing board of a school district annually shall
8 ensure that each school participating in the program has a
9 participation agreement in place as of May 1 of the year
10 preceding the school year in which the agreement is in effect.

11 (d) Each participation agreement shall have a term of five
12 years, except that the governing board of the school district
13 annually shall review and revise the per-pupil funding of the
14 school according to paragraph (2) of subdivision (a).

15 (e) Each participation agreement shall include annual
16 benchmarks to be used to analyze the progress of the school
17 toward achieving the goals specified in the agreement.

18 (f) The principal and certificated staff of the school, pursuant
19 to Section 52062.6, annually shall adopt an achievement plan for
20 the school to ensure that the school meets the goals and
21 objectives specified in its participation agreement.

22 52062.3. (a) If a school fails to comply with any of the
23 provisions of its participation agreement, the district
24 superintendent shall notify the principal of the school of the
25 nature of the lack of compliance. After receipt of the notice, the
26 principal shall submit to the district superintendent a plan to
27 remedy the lack of compliance.

28 (b) If a school fails to meet the goals established in its annual
29 achievement plan for three consecutive years, the governing
30 board of the school district may revoke the participation
31 agreement of that school. The governing board shall notify the
32 Superintendent of any termination of the participation of a school
33 in the program.

34 52062.4. (a) It is the intent of the Legislature that the
35 program promote the equitable distribution of educational
36 resources, strengthen the scope of decisionmaking, increase
37 flexibility in resource allocation at the school level, and provide
38 a systematic method of conforming resource allocation to the
39 unique needs and priorities of individual schools.

(b) No later than March 30, 2007, the Superintendent shall adopt a distribution formula for use by school districts with schools participating in this program to determine the allocation of school district funds to an account or accounts for the exclusive use of the participating school. The distribution formula developed by the Superintendent shall include all of the following elements:

(1) A calculation of the share of total revenue limit funding for a participating school, based on the grade levels served at that school, so that each participating school is allocated to its account *or accounts* an amount equal to the following calculations:

(A) The weighted total revenue limit per pupil enrolled that is equal to the total revenue limit of the school district pursuant to Section 42238 divided by the following sum:

(i) The number of pupils enrolled in kindergarten and grades 1 to 5, inclusive.

(ii) The number of pupils enrolled in grades 6 to 8, inclusive, multiplied by a pupil weighting factor of 1.04.

(iii) The number of pupils enrolled in grades 9 to 12, inclusive, multiplied by a pupil weighting factor of 1.20.

(B) The amount per pupil enrolled determined pursuant to subparagraph (A) multiplied by the weighted number of pupils enrolled in each corresponding grade span of the school as specified in clauses (i) to (iii), inclusive, of subparagraph (A).

(2) The amount per eligible pupil received by the school district for each of the following categorical programs multiplied by the number of eligible pupils in the school:

(A) Pupil Retention Block Grant, as set forth in Article 2 (commencing with Section 41505) of Chapter 3.2 of Part 24.

(B) Targeted Instructional Improvement Block Grant, as set forth in Article 6 (commencing with Section 41540) of Chapter 3.2 of Part 24.

(C) School and Library Improvement Block Grant, as set forth in Article 7 (commencing with Section 41570) of Chapter 3.2 of Part 24.

(D) Program to Reduce Class Size in Two Courses in Grade 9, as set forth in Chapter 6.8 (commencing with Section 52080).

1 (E) Class Size Reduction Program for kindergarten and grades
2 1 to 3, inclusive, as set forth in Chapter 6.10 (commencing with
3 Section 52120).

4 (F) Economic Impact Aid, as set for in Article 2 (commencing
5 with Section 54020) of Chapter 1 of Part 29.

6 (3) The amount per certificated teacher received by the school
7 district for the Professional Development Block Grant, Article 5
8 (commencing with Section 41530) of Chapter 3.2 of Part 24,
9 multiplied by the number of certificated teachers at the
10 participating school.

11 (4) The amount per enrolled pupil in the instructional
12 materials fund of the school district multiplied by the number of
13 pupils enrolled at the participating school. After the first
14 allocation of funds to a participating school pursuant to this
15 paragraph, allocations in subsequent years shall be based only on
16 new funds received by the school district into its instructional
17 materials fund.

18 (c) Each fiscal year, the school district shall allocate to an
19 account or accounts established specifically for this purpose by
20 each participating school in the district the amount of funds
21 calculated according to the distribution formula established by
22 the Superintendent pursuant to this section for the respective
23 participating schools in the district.

24 (d) Notwithstanding any other provision of law, a school
25 district, at the request of the principal of a participating school,
26 may expend the funds allocated to the account or accounts of that
27 participating school for any purpose that is consistent with and
28 furthers the goals of the achievement plan and the participation
29 agreement of the school.

30 (e) The funds allocated to participating schools on behalf of
31 the programs specified in subdivision (b) shall supplement, and
32 not supplant, funding received by the school district for
33 programs, *other than the programs specified in subdivision (b)*,
34 that were used to support the school prior to its participation in
35 the program.

36 (f) A school district may retain up to 10 percent of the funds
37 received by the district from state and local sources that are
38 distributed to the accounts of participating schools of the district
39 according to the distribution formula established by the
40 Superintendent pursuant to this section for administrative and

1 support services costs incurred by the district on behalf of its
2 participating schools.

3 52062.5. (a) The principal of each participating school shall
4 annually create and submit to the district superintendent a budget
5 for the school. In developing the annual budget, the principal
6 shall collaborate with the certificated staff of the school and shall
7 consult with the schoolsite council and parent council, if either or
8 both are constituted at the school, in the development of the
9 budget. The principal shall comply with the budgeting and
10 accounting practices of the school district. At the request of the
11 school principal, the school district administration shall provide,
12 using funds retained by the school district as authorized by
13 subdivision (f) of Section 52062.4, technical assistance and
14 consultation for the principal and others involved in the
15 development of a schoolsite budget.

16 (b) Any moneys remaining in the accounts of a participating
17 school at the end of a fiscal year shall remain in the accounts of
18 that school for use in the budget of the following fiscal year and
19 shall not revert to the school district. Any deficit remaining in the
20 budget of a participating school at the end of a fiscal year shall
21 remain the responsibility of the school for the following fiscal
22 year.

23 (c) The principal of a participating school shall submit to the
24 district superintendent a copy of the proposed school budget in
25 accordance with the timeframes specified in the participation
26 agreement of the school.

27 (d) Each school district shall maintain the financial records for
28 each school participating in the program as part of the centralized
29 services provided to each school, including, but not limited to,
30 issuing checks based on vouchers received from the principal of
31 the school. The school district shall pay the costs of maintaining
32 the financial records from the 10 percent of moneys reserved to
33 the school district for administrative and support services for
34 participating schools pursuant to subdivision (f) of Section
35 52062.4.

36 52062.6. (a) The principal and certificated staff of a
37 participating school annually shall adopt an achievement plan
38 that is designed to ensure that the school achieves the goals and
39 objectives specified in the participation agreement of the school.
40 The plan, at a minimum, shall address the organization of the

1 school, staffing, curriculum, and classroom schedules to be used
2 at the school, and shall do all of the following:

3 (1) Ensure that teachers at the school, at least annually,
4 analyze the academic performance of the pupils in the school to
5 assess the progress of pupils toward meeting academic goals.

6 (2) Specify the appropriate staffing plan for the school to
7 enable pupils to meet the academic performance goals of the
8 pupils and the school. The principal or designated instructional
9 team of the school shall be responsible for hiring certificated
10 staff for the school and determining which certificated staff
11 positions are necessary and most appropriate for the school. The
12 principal shall involve members of the certificated staff of the
13 school in developing the school staffing plan. The plan shall
14 include provisions for the professional development of teachers
15 and administrators of the school.

16 (3) Schedule the schoolday using periods or time blocks that
17 will work most effectively in achieving the academic
18 performance goals of the school. In addition, the principal shall
19 ensure that the instructional hours included in the academic year
20 and in the school day satisfy the requirements of law.

21 (4) Specify an educational program for the school that is most
22 likely to enable the pupils enrolled in the school to achieve the
23 academic performance goals of the pupils and the school.

24 (b) The principal of a participating school shall annually
25 submit to the district superintendent and the governing board of
26 the school district a report specifying, at a minimum, the staffing
27 plan for the school, the academic schedule for the school, and a
28 description of the educational program of the school.

29 (c) The principal of a participating school shall collaborate
30 with the district superintendent and the certificated staff of the
31 school to implement the provisions of this article.

32 52062.7. (a) Each teacher at a participating school, in
33 consultation with the parents or legal guardians of a pupil and the
34 pupil, where age appropriate, shall establish academic growth
35 goals for the pupil at the beginning of each school year and shall
36 measure the progress of the pupil in achieving those goals
37 throughout the year. In measuring the academic growth of each
38 pupil throughout the school year, the teacher shall use a variety
39 of assessment tools selected by the principal and certificated staff
40 of the school.

(b) The principal of each participating school shall ensure that the school operates in an environment that empowers parents and legal guardians to be involved in the education of their children. At a minimum, the principal shall ensure that the procedures at the school require a teacher to communicate in person with the parents or legal guardians of a pupil if that pupil is not meeting his or her academic achievement goals.

(c) (1) The certificated staff and principal of a participating school, if they deem it necessary to achieve the goals of the achievement plan of the school and provisions of the participation agreement of the school, by unanimous consent, may request that the parties to the bargaining unit agreement for the certificated staff of the school modify the agreement to permit the certificated staff to waive specified portions of the agreement as it relates to that school. If the parties to the agreement modify the contract to permit the requested limited waiver, then the certificated staff and principal of the participating school by unanimous consent, may waive the applicable provisions of the agreement.

(2) The certificated staff of a participating school and principal, if they deem it necessary to achieve the goals of the achievement plan of the school and provisions of the participation agreement of the school, by a majority vote, may request that the governing board of the school district waive policies adopted by the governing board as they relate to that school. If the governing board agrees in writing, then those policies shall be deemed waived.

52062.8. The Superintendent shall request private foundations fund and conduct independent evaluations of the planning, implementation, operation, and effectiveness of this program. At a minimum, an initial report of best practices identified among participating schools shall be completed within the first three years of the operation of the program, and full evaluations shall be completed at intervals of five years.

52062.9. *The provisions of the program created by this article, other than Section 52062.8, shall be implemented only if the Superintendent certifies that he or she has obtained a commitment from private foundations or other private or public funding sources to provide sufficient funding for the program evaluations required pursuant to Section 52062.8.*

1 ~~52062.9.~~
2 52062.10. This article shall become inoperative on July 1,
3 2017, and, as of January 1, 2018, is repealed, unless a later
4 enacted statute, that becomes operative on or before January 1,
5 2018, deletes or extends the dates on which it becomes
6 inoperative and is repealed.

O